



JONES COLLEGE OF BUSINESS

Course Syllabus

ECON 4660– History of Economic Thought

Professor:	E. Anthon Eff
Class:	BAS S337 • Wednesdays 6pm – 9pm
Office and Hours:	BAS N308 • MW 2:30 pm-3:30 pm (or by appointment)
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Course Website:	http://capone.mtsu.edu/eaeff/566/hoth.htm
D2L link:	https://elearn.mtsu.edu/d2l/home/8909033

Course Description and Objectives:

History of Economic Thought is a seminar course, examining the development of economic thought from the time of Aristotle to the mid-20th century. The goal of the course is to learn something about how and why economic thought has changed, in order to gain insight into the ways in which economic thought is currently evolving. In order to understand how and why economic thought changes, one must understand something about the sociology of science and about the context in which the thinkers of the past lived.

A seminar format is typical for advanced courses in history, literature, or philosophy. In a successful seminar, the instructor never lectures, but participates in a semester-long discussion with the students. The seminar format puts a burden on students to find materials, to come to each class well prepared, to listen to each other, and to speak concisely.

Prerequisites:

Students who do well in this course usually have some prior knowledge of European History. The course assumes the student knows economics at least at the principles level.

Grading:

We will have a final exam, on Wednesday, December 7, 6:00PM-8:00PM, consisting of essay and short answer questions. The exam will count for 30% of the semester grade; 30% will be based on a term paper; and the remaining 40% will be based on peer evaluations of the presentations you worked on during the semester.

Course Materials:

I recommend the book *The Growth of Economic Thought*, by Henry William Spiegel. It costs about \$60 on Amazon. However, you are free to choose a different text, if you wish. The important thing is to come to each class session knowing something about the topic we will discuss. Reading a textbook is probably the easiest way to prepare yourself, but you could also look up articles on Google Scholar or even read some Wikipedia articles.

Presentations:

Each student will make a presentation every class period except for the first day and the day of the final exam. Presentations typically focus on a single person, who contributed to the development of economics. For each presentation, prepare a handout with about two pages of information. The page should include:

- 1) Basic biographical information. Try to help us see this thinker as a person.
- 2) A brief statement sketching the particular views espoused by this person, particularly with regards to economics.

To locate material for presentations, start with Spiegel (or your alternate book), using the index. There are some [excellent websites](#). Google Scholar (<http://scholar.google.com>) is a great resource for identifying good journal articles. Wikipedia is often a [good starting point](#).

Term Paper:

For the term paper topic, most students choose to present the salient features of one economic thinker's life and thought, but other topics related to the history of economic thought are also acceptable. Each student must clear a term paper topic with me by November 2, at the latest. The paper should be between four and eight pages long (12-point Times New Roman font, double-spaced, 1-inch margins). You need at least three references that are published journal articles (tip: use Google Scholar). Beware of plagiarism.¹ ***Every idea that is not 100% your own should be referenced*** within parentheses like this: (Veblen 1898: 23-24). A good paper will average about two references per paragraph. The bibliography should list every source mentioned in the text.

On Wednesday, November 30, your term paper is due. This will be our last class meeting before the final. I would like each student to present a summary of the most interesting and important elements of their paper. Prepare a one-page handout for this presentation.

¹ *Friendly warning: If you don't know what [plagiarism](#) is, please check the link on the course website or discuss it with me. Paraphrasing an article or website—even if you provide the correct citation—is plagiarism. The grade for a plagiarized paper is '0.'*

Schedule:

The final exam will take place December 7, from 6:00 to 8:00. We will have 14 class meetings this semester. The following outline presents the material covered in the 14 class meetings. Items under the heading "Additional Readings" are **not** required, unless otherwise stated in class.

1. Perspectives on the Philosophy, History, and Sociology of Science.

Spiegel: xiv-xxviii.

Additional Readings:

Skinner, Quentin. 1969. "Meaning and Understanding in the History of Ideas." **History and Theory**. VIII(7):3-53. ([Link](#))

Kuhn, Thomas S. 1969. **The Structure of Scientific Revolutions** (2nd edition). pp. 53-272 in **Foundations of the Unity of Science: Toward an International Encyclopedia of Unified Science**, Volume 2, Number 1. Editors: Otto Neurath, Rudolph Carnap, Charles Morris. Chicago: The University of Chicago Press. 1970.

McCloskey, Donald N. 1983. "The Rhetoric of Economics." **Journal of Economic Literature** XXI(June):483-517.

Andreski, Stanislav. 1972. **Social Sciences as Sorcery**. New York: St. Martin's Press. [chapter 10]

Mirowski, Philip. 1991. "The When, the How and the Why of Mathematical Expression in the History of Economic Analysis." **Journal of Economic Perspectives** 5(1):145-157.

Eff, E. Anthon. 1989. "History of Thought as Ceremonial Genealogy: The Neglected Influence of Herbert Spencer on Thorstein Veblen." **Journal of Economic Issues**, 23 (September): 689-716. ([Link](#))

Eff, E. Anthon. 2007. *Introduction to History of Economic Thought*. Handout for graduate History of Thought course: ([Link](#))

2. Aristotle, the Bible, and Medieval Economic Thought.

Spiegel: Chapters 1-3

Additional Readings:

Aristotle. **Nicomachean Ethics** (Book V) and **Politics** (Book I: "Theory of the Household")

Polanyi, Karl. 1957. "Aristotle Discovers the Economy." pp.64-96 in **Trade and Market in the Early Empires: Economies in History and Theory**. Editors: Karl Polanyi, Conrad M. Arensberg, Harry W. Pearson. Glencoe, IL: The Free Press.

Stark, W. 1956. "The Contained Economy: An Interpretation of Medieval Economic Thought." **The Papers of the Aquinas Society of London**, No. 26.

Langholm, Odd. 1998. **The Legacy of Scholasticism in Economic Thought: Antecedents of Choice and Power**. Cambridge: Cambridge University Press.

Kuran, Timur. 1996. "The Discontents of Islamic Economic Morality." **The American Economic Review** 86(2): 438-442. ([Link](#))

Presentations:

Aristotle

Economics in the Bible

Buddhist Economics

Xenophon

Hindu Economics

Confucian Economics

Thomas Aquinas

Islamic Economics

3. Endemic European Warfare: Mercantilists and Cameralists

Spiegel: Chapters 4-5

Additional Readings:

Viner, Jacob. 1948. "Power versus Plenty as Objectives of Foreign Policy in the Seventeenth and Eighteenth Centuries." pp.61-91 in **Revisions in Mercantilism** edited by D.C. Coleman (London: Methuen & Co. Ltd. 1969).

Weber, Max. 1921. "The Protestant Ethic and Spirit of Capitalism."

Presentations:

Niccolo Machiavelli	Gerard de Malynes	Jean Bodin
Martin Luther	Edward Misselden	Jean Baptiste Colbert
John Calvin	Thomas Mun	

4. Late Mercantilism: Measurement and the Beginnings of Liberalism

Spiegel: Chapters 6-7

Presentations:

Francis Bacon	Josiah Child
William Petty	John Locke
Charles Davenant	Dudley North

5. The Context of the Enlightenment

Spiegel: Chapters 8-9

Presentations:

Jean Jacques Rousseau	Anne Robert Jacques Turgot	John Law
Pierre le Pesant de Boisguilbert	Ferdinando Galiani	Richard Cantillon
James Steuart	David Hume	Francois Quesnay

6. Adam Smith

Spiegel: Chapters 10-11

Presentations:

Adam Smith	Francis Hutcheson
Bernard Mandeville	Jean-Baptiste Say

7. British Classical Political Economy after Adam Smith

Spiegel: Chapters 12-16

Presentations:

Thomas Malthus	Jean Charles Leonard de Sismondi	Marquis de Condorcet
William Godwin	James Mill	Francis Place
David Ricardo	Henry Thornton	James Maitland, Earl of Lauderdale
Jeremy Bentham	John Stuart Mill	Henry Carey
William Nassau Senior	Edward Gibbon Wakefield	John Rae
John Ramsey McCulloch	Frederic Bastiat	Thomas Tooke
Robert Torrens		

8. The German Historical School and The English Historical School

Spiegel: Chapters 17-18

Additional Readings:

New Palgrave: "Methodenstreit."

Cliffe Leslie, T.E. 1870. "The Political Economy of Adam Smith." **Fortnightly Review (London)** 14:549-563.

Presentations:

Richard Jones	Friedrich List	Gustav von Schmoller
T.E. Cliffe Leslie	Wilhelm Roscher	Werner Sombart
Walter Bagehot	Edmund Burke	Max Weber
Thorold Rogers		

9. Socialism

Spiegel: Chapters 19-21

Presentations:

Robert Owen	Charles Fourier	Karl Rodbertus
Charles Hall	Pierre-Joseph Proudhon	Louis Blanc
William Thompson	Henri de Saint-Simon	Henry George
Thomas Hodgskin	Felicite de Lamennais	Auguste Blanqui
John Bray	Ferdinand Lassalle	William Morris
Charles Kingsley	The Fabians	Michael Bakunin

10. Marx and American Institutionalism

Spiegel: Chapters 26-28

Presentations:

Karl Marx	Clarence Ayres	John Kenneth Galbraith
Thorstein Bunde Veblen	John Rogers Commons	Wesley Claire Mitchell

11. Neoclassical Economics

Spiegel: Chapters 22-25

Additional Readings:

Mirowski, Philip. 1984. "Physics and the 'Marginalist Revolution.'" **Cambridge Journal of Economics** 8:361-379.

Presentations:

William Stanley Jevons	Vilfredo Pareto	Carl Menger
Francis Ysidro Edgeworth	Alfred Marshall	Leon Walras
John Bates Clark		

12. Monetary and Income Analysis

Spiegel: Chapters 26-28

Presentations:

Gunnar Myrdal	Joseph Schumpeter	Irving Fisher
Knut Wicksell	John Maynard Keynes	Friedrich A. von Hayek

13. Late 20th Century

Presentations:

Paul Samuelson
Milton Friedman
Amartya Sen

James Buchanan
Ronald Coase

John von Neumann
Gary Becker

14. Term paper presentations

The peer evaluation, filled out at the end of the last class (November 30), will look like this.

Your name: _____ Please rank yourself and your fellow students. Ranks run from 1 to 10: 1 would be the appropriate rank for the student that *helped you learn the most* in this class; 10 would be appropriate for the student whose presentations, assistance as group member, or discussion were *least* helpful. **No ties are allowed.** Please also put a letter grade next to the rank (pluses and minuses allowed). For details on the methodology, please refer to <http://www.economics-finance.org/jefe/econ/Effpaper.pdf>.

Name	Rank	Letter Grade	Comments
Hector Guel			
Brandon Felder			
Richelle Pettigrew			
Glen Forest			
Bryant Crane			
Refugia Mendoza			
Chanda Barrick			
Sadie Torres			
Jennifer Gonzalez			
Randall Bedunah			

The final exam: The final exam (December 7) will contain two essay questions (40 points each) and twenty short answer questions (one point each). One week before the exam, I will give four essay questions to the class; two of these (my choice) will appear on the final. The material comes from the class discussions. Below are nine questions that I have used in the past for this class, as well as ten sample short-answer questions. These might not be used this semester, and are given just to give you a sense of the kinds of questions I might ask.

1. Aristotle and St. Thomas Aquinas can be seen as conservatives resisting the encroachment of a market economy. Discuss the work of these men from this perspective, telling me something about the world they were defending, and the evils of markets, as they saw it.
2. Discuss the reasons for the shift from medieval Christian views of the economy to mercantilist views. What were the main features of these two views?
3. Deism can be seen as the religious underpinnings of much Enlightenment thought, including the ideas of Adam Smith. Describe the main features of Deism and the way these manifest themselves in Adam Smith's work.
4. We discussed at least two major shifts in economic thought: the shift from Medieval Christianity to Mercantilism, and the shift from Mercantilism to Liberalism. Discuss the most important changes in each shift. What were some of the economic and cultural factors which precipitated these shifts?
5. Ideas not only have to be "right," they also have to "catch on." Discuss the factors which influence whether or not an idea catches on. Try to be as comprehensive as possible. Use examples from the evolution of economic thought to illustrate these factors.
6. In a number of places, H.W. Spiegel points out a strange phenomenon: important innovations in economic theory are often simultaneously created by different people, each working in ignorance of the other. Give a few examples of this phenomenon. What do you think accounts for simultaneous invention?
7. Write an essay on how utilitarianism and the concept of utility have shaped the evolution of economics. How does utilitarianism fit into the transition from Mercantilism to Liberalism? How does utilitarianism fit into the transition from Classical political economy to Neoclassical economics? Discuss briefly the role of Francis Hutcheson, Adam Smith, Jeremy Bentham, William Stanley Jevons, Carl Menger, Alfred Marshall, and Vilfredo Pareto.
8. Socialists are a heterogeneous lot. Compare (showing differences and similarities) at least three thinkers or schools of thought we discussed during the two class sessions on socialism. Describe how each of these socialists may have been influenced by the particular intellectual, political, and social currents of their time. What lasting influence did each of these socialists have?
9. Over the last 200 years, economics has steadily become more abstract, and this tendency toward abstraction has periodically been resisted. Discuss the origins of and reasons for increased abstraction, and explain how increased abstraction is related to the expanding use of mathematics. Discuss some of the schools in economic thought which opposed abstraction. What did these schools advocate? Be sure to explain what is meant by the *Methodenstreit*. Where do you stand on this controversy?

Ten sample short answer questions. For most of these, an answer of one or two words would suffice; for a few, one might need as many as three sentences. Each answer will be worth one point.

- 1) During what decade did Adam Smith write *Wealth of Nations*?
- 2) In what decade did John Maynard Keynes publish his most important book?
- 3) Name one economist credited with *founding* the Neoclassical School.
- 4) Of what nationality were Adam Smith and David Hume?
- 5) Of what nationality were Carl Menger and Joseph Schumpeter?
- 6) Of what nationality were John Bates Clark and Irving Fischer?
- 7) Of what nationality were Knut Wicksell and Gunnar Myrdal?
- 8) Was Thomas Mun influenced by Adam Smith? Why or why not?
- 9) Which economist developed general equilibrium theory?
- 10) Which economist is often credited with starting economics down the path of abstract, deductive science?